

President's Report

National Biscuit Company,

January 31st, 1899.

Directors.

CANCELLED
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A. W. Green,
Chairman of the Board.

D. F. Bremner,
Chicago.

Norman B. Ream,
Chicago.

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Pittsburgh.

W. T. Baker,
Chicago.

L. D. Ozier,
St. Louis.

Frank O. Lowden,
Chicago.

H. J. Evans,
Chicago.

B. F. Crawford,
Chicago.

E. S. Olive,
New York.

H. F. Vories,
Chicago.

J. S. Loose,
Kansas City.

A. O. Garretson,
Jersey City.

J. W. Hazen,
Boston.

C. E. Rumsey,
Chicago.

Officers:

B. F. Crawford, President.

H. F. Vories, First Vice-President.

Frank O. Lowden, Second Vice-President.

C. E. Rumsey, Secretary and Treasurer.

Geo. E. West, Asst. Sec'y and Asst. Treas.



To the Stockholders of the National Biscuit Company:

The following is the Balance sheet of the
Company at close of business January 31, 1899

Assets.

Plants, Real Estate,		
Machinery, Patents, etc.	\$49,033,627.82	
Less Depreciation Acc't	300,000 00	\$48,733,627.82
Cash	\$ 1,177,018.96	
Working Capital Reserve	1,000,000.00	
Stock and Securities	165,430.00	
Accounts Receivable	2,550,947.94	
Raw Material, Supplies and		
Finished Product	3,109,457.74	8 092,854.64
		<u>\$56,736 482.46</u>

Liabilities.

Capital Stock, Preferred	\$23 200,000.00	
“ “ Common	29.200 000.00	\$52,400,000.00
Bonds Payable & Mortgages		
Payable, assumed at formation of Company and not yet matured		1,814,000 00
Accounts Payable including		
Accrued Interest		441,839.36
Earnings to Jan. 31, 1899	\$ 3,292,143.10	
Less three quarterly dividends paid on Preferred		
Stock	1,214,500.00	2,077,643.10
		<u>\$56,736,482.46</u>

Sales to January 31, 1899, inclusive	\$34,913,899.59
Net Profit to January 31, 1899, inclusive	3,292,143.10
Percentage of Profit to Sales	9 ¹³ / ₁₀₀ %

922 1/2
500



The attention of stockholders is called to the small percentage of profit to sales viz.—9.43 per cent in a manufacturing business. This is in accordance with the settled policy of the Company. We aim to reduce this percentage still further without affecting the total profits of the Company. We shall continue to improve the manner of making our goods, and of packing them so as to get them in better condition to the consumer. Reduction in prices will also, in its turn, increase consumption and in itself enable us to decrease our percentage of profit on sales without diminishing the aggregate volume of our profits.

We have no monopoly. On the contrary we have and always expect to have, a great deal of competition. We purpose to get the business and to hold it by selling better goods, by furnishing them in better condition to consumers, and at lower prices to the trade for the same quality than our competitors are able to do. It is for this reason we have recently placed upon the market our UNEEDA BISCUIT, put up in a novel patented package originated by us to preserve and deliver the goods absolutely fresh to consumers at a price within reach of everybody. Our profit on UNEEDA BISCUIT is very small and is only what we can save by means of our superior facilities incident to the large output which will follow the introduction of this package. We intend to advertise it very extensively, believing this will lend to greatly increased consumption of our general line of bakery goods.

Respectfully submitted,

B. F. CRAWFORD,

President.